FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 073 *13 April 1979*

INTER-AMERICAN AFFAIRS

OLADE Secretary Describes Bonn Trip as 'Fruitful' A 1
Confederation of Andean Industrialists Established A 1

ARGENTINA

Labor Leaders Warned About Recent Activities [LA NACION 12 Apr] B 1
General Strike Threat B 1
Oil Exploration Pacts Signed With Private Firms B 2
Newspaper Owner Praises Freedom of Press in Country [CRONICA 12 Apr] B 2

BOLIVIA

Planning Minister Outlines Economic Results C 1
Foreign Ministry Seeks Border Talks With Chile C 1
Talks With Argentina on Gas, Byproducts Continue C 2
Briefs: Trade Moves C 2

BRAZIL

Strikes Spread in Rio, Sao Paulo, Rio Grande do Sul [O ESTADO DE SAO PAULO 11 Apr] D 1
Striking Teachers D 1
ARENA Deputies Advocate Communist Party Recognition D 1
Ties Planned With DPRK, Vietnam, Laos, Kampuchea [JORNAL DO BRASIL 11 Apr] D 2
No 'Concrete Plan' D 2
Briefs: New Navy Officials; Jari Project Investigation; Gold Reserves D 2

COLOMBIA

Congressional Committee President Discusses Border Issue [EL NACIONAL 9 Apr] F 1
Minister Denies Border Closed to Venezuelan Cattle Trade F 2
Authorities Arrest Over 40 Guerrillas, Seize Weapons F 2

PERU

State of Emergency Lifted in Copper Mining Areas J 1
Economy Minister Interviewed on Results of U.S. Visit [EL COMERCIO 9 Apr] J 1
Official Predicts Trade Surplus of $700 Million in 1979 [EXPRESO 5 Apr] J 2
Haya de la Torre Returns From Hospitalization in U.S. J 2

VENEZUELA

Oil Expert Criticizes U.S. Energy Measures [EL NACIONAL 7 Apr] L 1
Impasse in Colombian-Venezuelan Border Situation Clearing L 1
Herrera Comments on Livestock, Agricultural Problems L 1
[EL NACIONAL 6 Apr]
Peasant Problems [EL UNIVERSAL 9 Apr] L 2

MEXICO

EL NACIONAL Scores Schlesinger's Negotiating Stance M 1
Opposition Parties Trying To Infiltrate Labor M 1
Socialist International Vice Presidents End Meeting M 1
Joint Communique Issued on Todor Zhivkov's Visit M 2
[cross-reference]
Finance Secretary Comments on National Development M 2

PANAMA

CRITICIA Links U.S. Aid to Repressive Regimes [12 Apr] N 1
Newspaper Criticizes U.S. House of Representatives N 1
[LA ESTRELLA DE PANAMA 12 Apr]
Republican Party 'Ironing Out Details' for Registration N 2
[LA ESTRELLA DE PANAMA 12 Apr]
Justice Proposes Courts in Canal Zone After 1 October N 2
[LA REPUBLICA 10 Apr]
Petroleum Transfer Port Begins Operations [CRITICA 12 Apr] N 3
Briefs: Ambassador to Israel; Japanese Ambassador's Departure N 3

CENTRAL AMERICA

NICARAGUA

National Guard, FSLN Continue Fighting in Esteli P 1
Esteli Situation Report P 1
National Guard Communique P 1
Ticuantepe Operation P 2
Radio Sandino Report P 3
Esteli Cease-Fire P 3
Sandinist Leader Death P 4

CUBA

Agriculture Minister Outlines 1979 Objectives Q 1
Fidel Castro Congratulates Railroad Workers Q 1
Veiga Addresses WFTU Meeting in Sofia Q 2

DOMINICAN REPUBLIC

FRG Chancellor Schmidt Concludes Visit, Departs R 1
Schmidt-Guzman Meeting R 1
Investment Agreement R 1
Departure Ceremony R 1

CARIBBEAN

GDR Recognizes Dominica, Saint Lucia; Discusses Grenada S 1
[Georgetown GUYANA CHRONICLE 7 Apr]

JAMAICA

Mandley Continues Visit to Soviet Union S 1
Meeting With Kosygin S 1
Trade Agreement S 1

GUYANA

Political, Technical Aid Team To Be Sent to Grenada T 1
Shipyard Agreement Signed With DPRK T 1
[SUNDAY CHRONICLE 1 Apr 79]

OLADE SECRETARY DESCRIBES BONN TRIP AS 'FRUITFUL'

PA071412 Mexico City International Service in Spanish 0050 GMT 7 Apr 79 PA

[Text] Although he described his visit to Bonn as fruitful, Gustavo Rodriguez, secretary of the Latin American Energy Organization [OLADE], added that he was unable to obtain a commitment of cooperation from the persons he contacted. The contacts which Rodriguez made in Bonn may be the forerunners of a future German cooperation in OLADE projects. Rodriguez met with officials of the Ministry of Research, but not with Minister Volker Hauff.

CONFEDERATION OF ANDEAN INDUSTRIALISTS ESTABLISHED

PA071637 Quito Cadena del Triunfo in Spanish 1255 GMT 7 Apr 79 PA

[Text] The Confederation of Andean Industrialists [Confederacion Andina de Industriales--CONANDINA] has been established by the main officials of the industrialist organizations of Venezuela, Colombia, Peru and Ecuador. The National Chamber of Industries of Bolivia has also joined the confederation. The industrialist leaders met in Quito on 5 and 6 April to approve the statutes of the new confederation. CONANDINA will have the objectives of achieving closer ties among the Andean industrialists and obtaining a better representation of the private sector in the integration process.

Dr Jaime Vergara, president of the Federation of Chambers of Industries of Ecuador, reports on the establishment of the organization:

[Begin Vergara recording] The fundamental objective of the confederation that we have just established--and which has been joined through a telegram by the president of the association of industrialists of Bolivia--is to promote the unity of industrialist organizations in the Andean region. With the achievement of this unity, we will be able to better present our demands, rights and requests to the entities of the Cartagena Agreement Board. We believe that after almost 10 years since the establishment of the Andean Pact, it is important for private enterprise, which has a leading role in the field of integration, to unify and defend its rights before the governments and the agencies of the Cartagena Agreement Board.

In establishing this confederation, we have expressed our faith in Andean integration. We believe that it will become a link of unity among our peoples. It will enable us to [words indistinct] before the economic groups in Latin America [words indistinct]. We also believe that Andean integration will be in the long run [words indistinct] a better opportunity for the peoples who live in the Andean subregion. Therefore, we want to [words indistinct]. [end recording]

LABOR LEADERS WARNED ABOUT RECENT ACTIVITIES

PY130050 Buenos Aires LA NACION in Spanish 12 Apr 79 p 1, 9 PY

[Text] Government labor officials yesterday reminded several union leaders of the Committee of 25 and the National Labor Commission (CNT) that the laws forbidding union activities are still in effect, in view of the number of meetings that have been held lately among these leaders and statements they have issued.

Yesterday Labor Under Secretary Col Americo Daher called to his office separately Roberto Garcia (taxi drivers) and Carlos Cabrera (mineworkers)--both from the Committee of 25--and Jorge Triaca (plastic workers), Ramon Baldassini (telephone and postal workers), Juan Horvath (state workers) and Luis Gerrero (metalworkers). Colonel Baher warned the leaders regarding the recent proliferation of union activities.

Even though the leaders had kept mum about these meetings, it was reported that the talks included the preparation of a nationwide action movement that has now become public knowledge. It now appears that attendance at the coming assembly of the International Labor Organization was also discussed during these meetings.

The official reminder concerning the banning of union activities could lead to an "impasse" in the negotiations toward unity that both groups have been conducting for the past 2 weeks. It is known that the leaders of the Committee of 25 and the CNT plan to hold a meeting on this issue Tuesday.

The CNT advocates "unity of leadership" as its main goal, while the Committee of 25 believes that first there must be "unity of action" aimed at defending a program of workers' demands approved at the first meeting of the two groups.

According to some reports, the Committee of 25 was facing opposition to its proposal. Garcia and Cabrera had opposed it, while Fernando Donaires (paperworkers), Enrique Mico (clothing workers) and Ramon Valle (insurance workers), appear to be supporting the "unity of leadership" as the main target. These leaders are part of the Group of 5 that constitutes the leadership of the Committee of 25. Some union sources indicated that this situation, could lead to a split within the group.

General Strike Threat

PY130110 Paris AFP in Spanish 2207 GMT 12 Apr 79 PY

[Excerpts] Buenos Aires, 12 Apr (AFP)--Labor union sources reported today that a 24-hour general strike will probably be called by the Argentine workers movement in the last week in April. This strike, should it take place, would be the first nationwide movement of its kind in Argentina in 4 years. It is aimed at rejecting the economic, social and labor policy of the military government and, according to the same sources, might even have the tacit approval of some business sectors.

The union sources indicated that the date chosen for the possible nationwide stike is based on the government's announcement that it will release a law on professional associations. This law is being rejected by the unions.

They also said the idea is to hold the strike before the annual meeting of the International Labor Organization in June, on the grounds that the government would find it difficult to punish the unions with only a month or so to go before the event.

At the same time, the sources pointed out that the time is right to hold the strike because a number of business organizations, especially the industrial ones, are predisposed toward coordinating with the workers on action against the official economic policy, which they oppose. The sources said efforts will be made to hold the strike at places of work without allowing it to slide into disorderly behavior that could prompt the intervention of security forces.

OIL EXPLORATION PACTS SIGNED WITH PRIVATE FIRMS

PY122140 Buenos Aires TELAM in Spanish 2310 GMT 11 Apr 79 PY

[Text] Buenos Aires, 11 Apr (TELAM)--The executive branch approved two contracts signed by Government Oil Deposits [YPF], a state corporation, with private companies for comprehensive exploitation for hydrocarbons in the area of Cerro Tortuga-Las Flores, Chubut Province, and in the area of Antichinal Campamento, Neuquen Province.

Decree No 811 approved contracts signed between YPF and the Pluspetrol and Tauro Engineering Corp and the James A. Lewis Engineering Co for the exploration and exploitation of hydrocarbons in the area of Antichinal-Campamento. The same decree approved contracts signed by YPF with Auspetrol Corp, the Argentine branch of H.J. Gray and Associates, and Graziani for the exploration and exploitation of hydrocarbons in the area of Cerro Tortuga-Las Flores. The contracts stipulate that if hydrocarbons are found, oil and gas will be exploited and turned over to YPF.

The introduction to the decree notes that these contracts have been concluded for the purpose of promoting participation by private capital and technology in the production of oil in the country; that their implementation will increase the nation's oil production; and that they conform to the principles of the plan for revamping the national economy.

NEWSPAPER OWNER PRAISES FREEDOM OF PRESS IN COUNTRY

PY122322 Buenos Aires CRONICA in Spanish 12 Apr 79 p 5 PY

[Excerpt] Salta, 11 Apr--Ovidio Lagos, chairman of the Argentine Newspaper Owners Association [ADEPA], stated that "in Argentina there is respect for the constitutional principle of freedom of the press." However, he emphasized that "during the last 6 months, there has been a few isolated attempts to violate this principle."

Lagos, who is director of the newspaper LA CAPITAL in Rosario, added that "these instances will be studied by the Press Commission during the next meeting of the ADEPA board of directors to be held in this city starting 18 April."

PLANNING MINISTER OUTLINES ECONOMIC RESULTS

PY121404 La Paz Radio Panamericana Network in Spanish 1130 GMT 12 Apr 79 PY

[Text] Opening a series of lectures organized by the National Police Command, Planning and Coordination Minister Gary Prado referred to the country's economic problems and the operations plan for 1979. Gary Prado also referred to the basic objectives of the planning system and to short, medium and long-term plans being prepared by the government:

[Begin recording] The public knows that economic activity in 1978 did not reach the levels established in the plan for the year, much less the growth rate foreseen for the year, both in the operations plan and the 1976-80 5-Year Plan. This was basically due to the impact of the worldwide economic recession. As you are certainly aware, the activities of the external sector still give the impetus to the nation's economy. That external sector is extremely sensitive to the fluctuations of the international prices of our exportable raw materials. I should point out in this connection that tin still continues to have the greatest influence in our foreign trade. [end recording]

He also stated that the internal effort did not find any support in foreign trade which, on the contrary, had an adverse effect on the economy through the price increase of goods we import. [begin recording] The internal effort of this country, according to some international organizations, was not accompanied in most cases by international cooperation or even by acceptable conditions regarding prices and marketing systems of raw materials. The procedures adopted for the marketing of manufactured goods, freight rates, the policies of technology transfers and foreign financing conditions, all of which are indispensable factors for the nation's development, are subject to circumstances that cannot be influenced by this country, such as economic growth and, above all, the development of industries and markets we cannot control. [end recording]

Speaking of other problems, he discussed the foreign debt and other factors that have a bearing on the nation's economy. [begin recording] So far, our efforts toward economic growth and social change have led this country to a situation that may be called one of semidevelopment. Semidevelopment refers to national patterns in which per-capita income levels are halfway up--that is, lower than the levels of European and other industrialized countries, but a little higher than those of most African and Asian countries. Since Bolivia is a country of less relative economic development, it does not have the same characteristics regarding the direction, speed and type of development as other semideveloped countries because there are also the economic consequences of geographic problems for which no immediate solution can be seen. [end recording]

The next speaker, Eng (David Vargas), went into the details of the 1979 operations plan. The lectures will continue on Monday, 16 April, and will end on Friday, 27 April.

FOREIGN MINISTRY SEEKS BORDER TALKS WITH CHILE

PY121439 La Paz Radio Panamericana Network in Spanish 1130 GMT 12 Apr 79 PY

[Text] In defense of the interests of the country, the Foreign Ministry has stated that it is necessary for the Bolivian and Chilean border commissions to hold a meeting in Africa in the first half of May to reach a decision regarding replacement of border marker No 38. The marker was removed by a Chilean and placed 1,600 meters into Bolivian territory.

In view of this irregular situation, the government made a formal protest when the incident occurred through the Uruguayan Embassy, since Bolivia has no diplomatic relations with Chile. No Chilean reply has come so far accepting a meeting of the joint commissions from the two countries.

According to the Foreign Ministry, border marker No 38 should again be set up at its original site after the problem has been studied by the Chilean and Bolivian commissions. This would signify the solution of a problem which has led to protests throughout Bolivia because the event was considered a new attack on our sovereignty.

It has been reported that the marker was moved by a Chilean citizen who owns land in the border area and who moved it to obtain drinking water. The Foreign Ministry reported that he is an old man of 80. Nevertheless, he will be detained and brought to justice if he does it again.

The ministry also stated that it will present a demand to Chile that citizens of both countries be prohibited from owning property in the border area in order to prevent this kind of problem.

TALKS WITH ARGENTINA ON GAS, BYPRODUCTS CONTINUE

FY102252 Buenos Aires LATIN in Spanish 1928 GMT 10 Apr 79 FY

[Text] La Paz, 10 Apr (LATIN)--Spokesmen for Bolivian Government Oil Deposits [YPFB] reported that negotiations for the sale of natural gas to Argentina have been broadened to include the sale of liquified gas and gasoline. During the last visit of the YPFB general manager to Buenos Aires, the basis for negotiations to sell LPG and gasoline to Argentina was established, according to a source who was consulted. He added that these two products will only now be included in trade between the two countries.

The source also said negotiations on sale of a larger volume of natural gas to Argentina are continuing. Regarding the main point of negotiations, the talks hinge on the new price for natural gas to become effective as of 1 July, in accordance with the bilateral agreements now in force. The price should be readjusted every 6 months under those agreements.

Bolivia is currently selling Argentina 150 million cubic feet of gas per day, and this might be increased to 170 million tons. An Argentine delegation is to arrive in the next few days to continue discussing price adjustments and the volume of gas to be acquired. The source denied that the talks have run into a snag. On the contrary, the source said, we have found on the part of the Argentine Government Oil Deposits a good disposition to negotiate the purchase of LPG and gasoline in volumes not yet determined.

In view of the surplus on hand, Bolivia is interested in finding markets for LPG and gasoline. The source added that these negotiations should be concluded by 1 July and that the negotiators will speed up their work to make that possible.

BRIEFS

TRADE MOVES--Romanian Ambassador Nicolae Ghenea has offered to step up and broaden trade and industrial cooperation between the two countries. The Uruguayan ambassador has urged Minister Oscar Pammo to take advantage of the free zone on the Atlantic granted by the Uruguayan Government in order to facilitate the transport of goods between Bolivia and the coast. [La Paz Radio Panamericana Network in Spanish 0000 GMT 10 Apr 79 FY]

STRIKES SPREAD IN RIO, SAO PAULO, RIO GRANDE DO SUL

PY121343 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Apr 79 p 30 PY

[Text] Strike movements gained momentum yesterday among teachers in Sao Paulo and Rio Grande do Sul, municipal employees in Sao Paulo, chemical industry workers of a company in Santo Andre and of a gas distribution company in Sao Paulo. The strike, however, will be lifted today at the Swift-Armour packing house in the ABC region. The Mario Andrade municipal library was closed yesterday by pickets after 600 municipal employees decided to go on strike. In Rio de Janeiro, physicians on scholarships in the state and municipal hospital network decided to continue the strike they began last Monday, and 97 resident physician the Santa Casa da Misericordia in Porto Alegre continue on strike. In Sao Paulo administrators of the Hospital Das Clinicas decided to begin a strike on 17 April, and 250 residents and 80 interns of the Hospital do Servidor Publico went on strike in solidarity with 3,000 hospital workers who went on a "folded-arms" strike the day before yesterday demanding a 70-percent wage increase plus another 2,000 cruzeiros.

The guidelines for negotiations between the metalworkers and businessmen in the ABC region were set out yesterday, and actual salary readjustment negotiations will begin on Monday. The president issued a decree in Brasilia yesterday placing at 44 percent the rate for salary readjustments in April throughout the country.

Striking Teachers

PY121745 Porto Alegre Radio Gaucha in Portuguese 1545 GMT 12 Apr 79 PY

[Excerpt] A meeting between Cardinal Vicente Scherer and Governor Amaral da Souza has just ended. After the talks, which lasted for over an hour, the cardinal announced that the state government will agree to resumption of negotiations with the teachers. The government has appointed Secretary (Leonidas Ribas) to maintain informal contacts with the teachers.

The cardinal will contact the General Strike Board, reporting to it on the results of the meeting and asking the board to form a commission to meet with the education and culture secretary. Cardinal Vicente believes the meeting should be held even over the holidays so a solution to the impasse may be reached as soon as possible.

ARENA DEPUTIES ADVOCATE COMMUNIST PARTY RECOGNITION

PY122045 Paris AFP in Spanish 1615 GMT 12 Apr 79 PY

[Excerpt] Brasilia, 12 Apr (AFP)--Recognition of a pro-Soviet communist party in Brazil was recommended here today by Deputies Jose Bibamar Machado and Odulo Domingus of the National Renewal Alliance. The two deputies supported their view by saying that "all ideological currents existing in Brazil have the right to be legally represented by a party organization operating in the open, not clandestinely."

TIES PLANNED WITH DPRK, VIETNAM, LAOS, KAMPUCHEA

PY120245 Rio de Janeiro JORNAL DO BRASIL in Portuguese 11 Apr 79 p 3 PY

[Excerpt] On completion of studies being carried out at Itamaraty, Brazil will establish diplomatic relations with North Korea, Vietnam, Kampuchea and Laos this year. This will be the first big foreign policy move of the Figueiredo government, and is intended to express the same independence of action as that demonstrated by the establishment of relations with the PRC. Angola and Mozambique during the Geisel government.

The Brazilian plan represents a combined strategy to insure Brazil's presence in Southeast Asia. This is a region in which Brazil is notably absent despite the advances of its foreign policy in recent years. Brazil maintains relations with pro-Western countries in the region, but, according to Itamaraty studies, these relations are stagnant and accrue no reciprocal advantages because of the geographical distances and the dominance of those markets by the developed countries.

No 'Concrete Plan'

PY121613 Paris AFP in Spanish 0409 GMT 12 Apr 79 PY

[Text] Brasilia, 11 Apr (AFP)--Itamaraty denied today that the Brazilian Government intends to establish diplomatic relations with several communist countries in East Asia before the year's end. JORNAL DO BRASIL reported that Itamaraty is completing studies to establish relations with the DPRK, Vietnam, Kampuchea and Laos. The Itamaraty spokesman said: "There is no concrete plan in this regard."

Brazil maintains diplomatic relations with all socialist countries in Eastern Europe and with the PRC. The Brazilian military regime has so far held back, however, from establishing relations with socialist countries in eastern Asia and with Cuba.

BRIEFS

NEW NAVY OFFICIALS--Brasilia--President Figueiredo has appointed recently promoted Adm Jose Geraldo Theophilo Albano Aratanha and Adm Newton Braga de Faria as director general of the Navy Materiel Department and general secretary of the navy, respectively. They are now members of the Naval High Command. [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Apr 79 p 9 PY]

JARI PROJECT INVESTIGATION--Brasilia, 6 Apr (LATIN)--The National Security Committee of the Chamber of Deputies has unanimously decided to investigate the Jari development project being carried out in the Amazon by American millionaire Daniel Keith Ludwig, who has reportedly left a will leaving his 10,500 square kilometers of land, the largest rural property in the country, to the U.S. Government. MDB Deputy Pericles Goncalves charged that if this is true, the U.S. Government would own property within Brazilian territory and that this would be a violation of national sovereignty. [Buenos Aires LATIN in Spanish 2140 GMT 6 Apr 79 PY]

GOLD RESERVES--Rio de Janeiro, 6 Apr (AFP)--The Brazilian Central Bank has reported that the Brazilian gold and foreign currency reserve as of 31 December 1978 totaled $11,895,100,000. [Paris AFP in Spanish 2234 GMT 6 Apr 79 PY]

CONGRESSIONAL COMMITTEE PRESIDENT DISCUSSES BORDER ISSUE

PA122212 Caracas EL NACIONAL in Spanish 9 Apr 79 p D-15 PA

[By special reporters Longobardo Lossada Roa and Homero Duarte]

[Text] Cucuta, 8 Apr--Venezuela has respected Colombia's border and sovereignty, today said Ricardo Barrios Zuluaga, president of the [Colombian] congressional commission investigating the border which reportedly has been the scene of deaths, harsh treatment of peasants and treaty violations pertaining to the borders of the two countries.

He added: Neither the commission nor myself as its president have made these charges to the press. We are travelling to the border area in the name of the Colombian Parliament and specifically the Chamber of Representatives. We have to be very serious and sensible in the assessments we make. Our mission is not one of Foreign Ministry officials, but congressmen. At no moment have we been able to prove the charges that have been made public.

Barrios Zuluaga said there is no violation of Colombian territory, no violation of border treaties on Venezuela's part. I think that Venezuela has been extremely respectful of the Colombian border and territorial sovereignty.

When asked how the investigations were doing, he answered: "So far, I can say that our commission has had the opportunity of touring the border area. Testimony has been compiled which we consider important.

Asked if he had anything to say about the recent tension between the two countries, he said: "The message I can give [to Colombians] is to be calm and to have confidence that their compatriots on the other side of the border know how to manage foreign relations with a high sense of responsibility, seriousness and objectivity.

"The second message is to the Venezuelan people, so that they can understand that we here in Colombian territory receive them now, as in the past and in the future, as brothers and companions with the same historic, ancestral, geographic and even ethnic origins."

Barrios Zuluaga added that two countries, two nations, two collectives and two human conglomerates such as ours should not have powerful and valid reasons for differences in treatment and comprehension of the happenings at an active, natural border like ours which needs no markers or barriers.

"I would like to add as a congressman that in the first place through democratic and institutional channels we would invite the Foreign Relations Commission of the Chamber of Deputies to meet with us and discuss the complexities of the human, economic and territorial integration of the two nations, but," he added, "we are not going to anticipate anything on the subject because evidently it is a delicate matter. After compiling the documents we will meet in 1 month, and after an exhaustive evaluation we will inform the national government, the Foreign Relations Ministry and the Colombian public."

Asked if he was optimistic about the results, Barrios Zuluaga answered, "I feel very optimistic, broadly optimistic, but we want to reach truthful conclusions within the investigations we are conducting in our own territory to learn if the information that we have received of unjust and abusive treatment of our fellow citizens, possibly in the interior of the neighboring republic, is true."

"Are you optimistic that the rapprochement of the two nations will not deteriorate?"

"It is possible. But I also want to strengthen the spirit of Colombians who have been living in Venezuela for a long time and who have been received and treated very well."

"And you do not think that it will be necessary for congressmen of both nations to meet more frequently to discuss matters of mutual interest?"

"Undoubtedly. This gives us the opportunity to not only move forward, but also to broaden the prospect of future talks on the level of nations that have democratic institutions. When two peoples have democratic lungs they breathe better."

MINISTER DENIES BORDER CLOSED TO VENEZUELAN CATTLE TRADE

PA112118 Paris AFP in Spanish 1640 GMT 11 Apr 79 PA

[Text] Bogota, 11 Apr (AFP)--Despite Venezuelan press reports to the contrary, the Colombian Government has not closed its border with Venezuela for the export of cattle and dressed carcasses, it was learned here today.

According to Agriculture Minister German Bula Hoyos, these reports about an alleged closing of the Colombian-Venezuelan border are groundless because the cattle trade has continued without problems. The agreement for the export of cattle and dressed carcasses to Venezuela is now being implemented, and we have begun receiving licenses that allow us to make the first deliveries, he affirmed.

Several Venezuelan news media have reported that the border is closed, giving this as the reason for the suspension of the Colombian cattle exports. However, according to Bula Hoyos, deliveries to Venezuela will be made according to needs.

AUTHORITIES ARREST OVER 40 GUERRILLAS, SEIZE WEAPONS

PA130217 Madrid EFE in Spanish 2219 GMT 12 Apr 79 PA

[Text] Bogota, 12 Apr (EFE)--It was learned today that the state's intelligence and security services in Bogota have recently arrested more than 40 members of guerrilla organizations operating in the country.

A spokesman of the secret police General Staff reported here today that most of the guerrillas belong to the "Pedro Leon Arboleda" urban command attached to the Popular Liberation Army. Those arrested include Martha Camacho, a member of the "expropriation squad" that specializes in robbing banks.

The secret agents found 50 homemade bombs, 334 rounds of ammunition for .30-caliber carbines and 241 rounds of ammunition for short- and long-range arms in the hands of an urban squad of the Workers' Self-Defense Movement (MAO).

Finally, it was reported that 18 MAO guerrillas, the group responsible for the killing of former Minister Rafael Pardo Buelvas, were arraigned before a military court.

STATE OF EMERGENCY LIFTED IN COPPER MINING AREAS

PA120343 Madrid EFE in Spanish 0250 GMT 12 Apr 79 PA

[Text] Lima, 10 Apr (EFE)--The Peruvian military government today lifted the state of emergency which had been decreed in two southern departments as a result of a strike at copper deposits in the area. Military control over this region has ceased, and individual guarantees have been reestablished with the exception of the need of court orders for arrests. That guarantee has been suspended nationwide until the first week of May.

Labor peace has been reestablished in Moquegua and Tacna departments on the border with Chile, where the country's main copper mines, operated by the U.S. Southern Peru Copper Corporation, are located.

The Council of Ministers decided to lift the state of emergency tonight.

ECONOMY MINISTER INTERVIEWED ON RESULTS OF U.S. VISIT

PA130349 Lima EL COMERCIO in Spanish 9 Apr 79 p 8 PA

[Interview with Peruvian Economy and Finance Minister Dr Javier Silva Ruete on 8 April 1979--place not given]

[Excerpts] [Question] The country is interested in learning about the results of your latest trip abroad. As you must know, there are persons who criticize the many trips abroad that you have made since you took office. What can you say about this?

[Answer] The trip that I have just made to the United States and Venezuela had various objectives, which I can say have been completely achieved. In the first place, we had to reestablish contacts with the highest levels of the U.S. administration, with the treasury and agriculture secretaries and high-ranking State Department officials, in order to undertake some negotiations dealing with U.S. financial cooperation with Peru.

Regarding this, I can state that the results have been positive. At this time, Peru has the highest level of financial cooperation that the United States has granted in the Western Hemisphere. I believe it is very positive that we are the leading country of the Western Hemisphere as far as the level of U.S. financial assistance is concerned.

In the second place, I have concluded, in the name of the government, negotiations for very important financial operations to help our economic development. I can state that we have concluded with the World Bank a long-term term credit operation with very low interest rates and grace periods. It is a $115 million credit that will be used for the country's development. It will be granted this year. This operation should be approved by the World Bank Board of Directors in the next few days and should be signed in May in Peru, along with other operations approved this year for the amount of $8 million. This gives us a total of $123 million, which is the highest credit Peru has received from the World Bank since its foundation. That has also been another positive result of my trip.

We have concluded negotiations with the International Monetary Fund for the granting of credit known as complementary compensatory credit with special facilities for the amount of $218 million. This will enable us to consolidate all of the short-term debts the Central Bank has with various international banks and, therefore, to conclude our rationalization of foreign financing.

Another objective of the trip was to establish contacts, on the basis of a reiterated invitation, with important groups of U.S. investors on the east and west coasts, and with U.S. banks in order to discuss investment possibilities in Peru in line with our laws, the principles of the revolution and the essential concept that we will undertake our country's development on the basis of our own effort and that foreign investment and technology are very important as a complementary element of our national development. I believe that our position--which is also established in Decision 24 on foreign investment of the Andean Group--is being well understood by foreign investors, who had not understood it on previous occasions. I believe we are going to undertake an important task of development jointly with foreign investment.

These are the reasons why the economy minister sometimes has to travel abroad more frequently than usual. We are trying to reactivate the national economy as soon as possible, so we have to work hard. If we have to travel abroad to establish these contacts, to conclude these negotiations, to speed up development, then we will make as many trips as necessary.

OFFICIAL PREDICTS TRADE SURPLUS OF $700 MILLION IN 1979

PA111752 Lima EXPRESO in Spanish 5 Apr 79 p 4 PA

[Text] Navy Capt Alberto Saravia Hudson, secretary of state for commerce, [as published] announced yesterday that Peru will have an estimated $700 million (140 billion soles) surplus in its trade balance this year. The official said that this increase is due to a 29-percent increase in exports and a 15.5-percent decrease in imports, as compared with 1978. Saravia Hudson made this encouraging announcement upon inaugurating a business seminar.

Speaking on the policy toward nontraditional exports, Saravia Hudson said that the sale of such products on the foreign market had had encouraging effects on our trade balance. Sales have increased by 83 percent compared with last year. On outlining the principles of the government's export policy, Saravia Hudson said that this policy has produced the anticipated results. He predicted that sales abroad will generate a sustained increase in revenue. The official later explained the scope of the incentives law for nontraditional exports and listed the actions being carried out by the Commerce Ministry through the Secretariat of State for Commerce. These actions have been centered mainly on the development of the national export-promotion plan. He also referred to the limiting factors which affect our exports, saying that these are mostly in the area of services.

HAYA DE LA TORRE RETURNS FROM HOSPITALIZATION IN U.S.

PA121555 Paris AFP in Spanish 1519 GMT 12 Apr 79 PA

[Text] Lima, 12 Apr (AFP)--Victor Raul Haya de la Torre, president of the Peruvian Constituent Assembly, returned here today from Houston, where he underwent medical treatment. Haya, 84, the top leader of the Aprist Party, went to Houston on 10 March for specialized treatment at the Anderson Clinic for an as yet unspecified illness. Despite the early hour, 0620 (1120 GMT), the well-known Peruvian politician was welcomed at Jorge Chavez International Airport by leaders of his party, members of the Constituent Assembly (deputies) and a large number of party members. Comrades, here I am as I promised: determined, strong and firm until death, he said during a brief meeting with the press. A private automobile waiting at the bottom of the airplane ramp took him to the city. He was accompanied by Luis Alberto Sanchez, who replaced him as president of the assembly, Armando Villanueva, Andres Townsend and other ranking party members. Haya de la Torre arrived in the company of his doctors, Luis Pinillos and Luis Alva.

OIL EXPERT CRITICIZES U.S. ENERGY MEASURES

PA120333 Caracas EL NACIONAL in Spanish 7 Apr 79 p D-12 PA

[Excerpts] "U.S. President Jimmy Carter's plan to free oil prices in order to exchange inflation for an increase in the domestic supply of hydrocarbons hurts consumers more than the recent OPEC increase," stated Leonard Montiel Ortega. He recalled that Carter's decision not to exert control over oil prices represents an increase of $4 to $5 per barrel of oil, while the OPEC decision hardly increases prices by $1.20 per barrel. In referring to a series of antipollution measures adopted by the United States, Montiel Ortega said that trying to prevent the use of lead additives to increase the octane in gasoline was more inflationary than the OPEC increase. Antipollution legislation, he concluded, increases the price of gasoline in the United States by more than $.05 per gallon and forces the use of more crude per liter of fuel refined.

IMPASSE IN COLOMBIAN-VENEZUELAN BORDER SITUATION CLEARING

PA121942 Caracas Radio Rumbos Network in Spanish 1600 GMT 12 Apr 79 PA

[Text] The impasse that arose between Colombia and Venezuela, a product of tendentious reports, is on the path to disappearing. The Foreign Affairs Committee of the Colombian Chamber of Representatives asserted that the Venezuelan Government does not in any way sponsor or tolerate any sort of improper acts against Colombian citizens. Meanwhile, Venezuelan representative sectors are making serious efforts to return things to normal.

HERRERA COMMENTS ON LIVESTOCK, AGRICULTURAL PROBLEMS

PA130012 Caracas EL NACIONAL in Spanish 6 Apr 79 p D-6 PA

[Excerpts] President Luis Herrera Campins told cattlemen's federation directors who visited him at Miraflores Palace: In the first place, I want to let you know that I sympathize, that I am friendly and interested in producers of goods. I feel they are fulfilling an important mission in the country's economy and that the work they are doing and the effort they are making in the midst of undeniable difficulties, mostly in the agricultural and livestock fields, earn them the recognition and appreciation of the community and the government.

In the second place, I am committed to agriculture and livestock production in this country not just because I participate in that activity, but simply because I am one of those Venezuelans who realize that we have to produce more basic goods in order to diminish our dependency on imports--which have greatly increased in recent years--and because I am a native of a region which, if it has made great progress and advanced a great deal in the past 30 years, has been able to do this largely because of the presence and increasing development of an agriculture and livestock activity which is expanding more each day.

I am also aware of the need for reviewing all decrees. Many should be amended, and those that were issued under circumstances that no longer prevail should be abolished. As might be expected, those that are serving their purpose will remain. I have commissioned a group of lawyers to carefully study the matter, and when they have more or less finished, I expect that through the Agriculture and Livestock Ministry--based on a policy of understanding, communication, harmony and agreement--we can get together with you and other organizations engaged in agriculture and livestock production to discuss and make amendments and new proposals that deserve to be considered.

I also want to reiterate my government's desire, which I especially encourage every day, to progressively solve the problem of organizing land ownership. The moment I assumed the presidency of the republic I ordered a feasibility study, and I have insisted that the respective organizations should see if it is possible this year and in the following months to show positive proof of the effort to bring legal, psychological and economic security to producers from different regions of the country.

Of course, we must also see what measures we are going to implement in those areas to improve conditions in agriculture and livestock production, including lands occupied without title.

I also wish to reaffirm my conviction that my government is going to encourage agriculture and livestock production for the purpose of limiting imports as much as possible, with the idea of becoming self-sufficient in those areas in which it is really possible. In this respect, I generally believe, like you, that trading organization in the country, particularly the Agrarian Marketing Corporation, should not be just an import agency--which often competes with domestic production--but on the contrary should fundamentally try to channel the distribution of the nation's products. This we must guarantee, especially in the field of meat policy for cattle both on the hoof and slaughtered, with very clear instructions in matters of marketing from my government.

We know we have financial problems, as do you. I reiterate that I have received a country in hock, and that at least during the first year the budget was decided long before we assumed power. Nevertheless, we are making every effort to find our way and to take many steps toward fulfilling the government program I promised the Venezuelans in the agrarian sector.

We have to implement a series of mechanisms and seek some ways to prevent painful, regrettable and difficult situations, that are threatening to surface. Here we refer to the problem that has arisen with the application of the rule that 20 percent of the private bank budget should be invested in agriculture. This really had a truly praiseworthy purpose. However, it often served infrastructural work, and the people lacked the capital to pay the loans appropriated for it, or the conditions or periods were not adjusted to cattle production, as has been said in this case. We must find--and we are so disposed--some formulas to really prevent legal action, an embargo on a big scale in the agrarian field, because it would be a real tragedy for the country. On the other hand, I hope that since these are private institutions, they do not apply the saying: "There is no worse wedge than that of the same bark" [no hay peor cuna que la del mismo palo]. It should be that private institutions such as banks and private producers and businessmen may find formulas for a solution without disregarding anyone's rights, taking deeply into consideration the exact conditions of Venezuela's reality.

Peasant Problems

PA122120 Caracas EL UNIVERSAL in Spanish 9 Apr 79 pp 1, 12 PA

[Excerpts] Caracas, 8 Apr (VENPRES)--Last night, President Luis Herrera Campins expressed his government's firm determination to apply the doctrines and programs of the agrarian reform law and thereby achieve a level of self-sufficiency in the production of certain foodstuffs.

The statement was made during the closing session of the national Board of Directors of the peasant federation, which met for 2 days to discuss the problems of the rural sector.

In his speech, the chief of state said that we must seek self-sufficiency in certain foodstuffs in order to reduce and later eliminate as much as possible the country's dependence in the area of food.

The president added that it is becoming necessary to expropriate [as published] certain funds to be subsequently turned over to rural workers and, at the same time, it is necessary to begin the task of distributing the land which the National Agrarian Institute (IAN) has been accumulating.

The following are some portions of the president's speech:

"The process of agrarian reform has an orientation whose doctrine and principles are of course unobjectionable, an orientation that has been valid from the beginning throughout the course of its development and that will be even more valid later, because this complex socioeconomic, cultural and political process seeks to achieve the effective and real liberation of the peasant. We have indisputably made some progress, because in almost all parts of the country we have managed to eliminate the old, backward, antisocial, antidemocratic and anti-economy phenomenon of latifundism and we are about to achieve a productive and important social organization that will really replace the structure that the agrarian reform process was designed to correct.

"I have been noting the need for us to establish a portion of the nation's inhabitants permanently in the countryside, because we know from our own experience that when the people emigrate from the countryside to the cities and become assimilated into the ghettos, where poverty reigns supreme, it is very difficult to get those people to go back to the countryside, to their place of origin. Basically, what we have to do is keep the people from leaving the rural areas where they live because--and I make this comment without any in-depth reflection on agrarian matters; it is rather a comment with profound human content--one of the greatest problems of the underprivileged is not only the critical poverty of the men, women and children who make up those disadvantaged groups, but also that, in addition to the lack of material things, they have poverty without roots, a poverty placed in a hostile enviroment where there is no friendly geography, no friendly landscape in which one has grown up, no friendly neighbors with whom one has shared life since one was a child. Instead, one lives in inhospitable, isolated sites, where neither nature nor topography nor social nuclei from part of the climate, the environment and the friendship in which one lives and in which the poor generally grow up.

"In these weeks in which we have been governing, we have been testing the possibility, in certain commodities such as meat, of supplying the domestic market without opening the spout of import licenses, and we are convinced that it is possible. Moreover, if national production does not meet the people's needs, we are not going to stubbornly refuse to permit import licenses, but they will be granted only after Venezuelan cattle suitable for the domestic market have been slaughtered and sold in the various parts of the republic."

At the end of the session, President Luis Herrera Campins received from Armando Gonzalez, president of the peasant federation, a document containing a list of the aspirations of Venezuelan peasants.

EL NACIONAL SCORES SCHLESINGER'S NEGOTIATING STANCE

PA120307 Madrid EFE in Spanish 0205 GMT 12 Apr 79 PA

[Text] Mexico City, 11 Apr (EFE)--The government newspaper EL NACIONAL today accused U.S. Energy Secretary James Schlesinger of past obstruction of oil negotiations between Mexico and the United States.

In an unusually harsh editorial, the newspaper reported on its front page that Schlesinger acted out of "myopia" and assumed a "haughty and inflexible attitude" in the negotiations. EL NACIONAL noted, however, that the U.S. official thereby opened the eyes "of many" regarding the real importance of Mexico's oil. "If that kind gentleman had not blocked Mexico's negotiations with several U.S. oil companies, the country would have made a deal and the United States would be less worried about possible energy rationing," the newspaper said.

OPPOSITION PARTIES TRYING TO INFILTRATE LABOR

PA130416 Mexico City International Service in Spanish 0315 GMT 13 Apr 79 PA

[Text] The opposition parties are trying to infiltrate labor organizations and conduct all sorts of penetrations, but they have not been successful. We have political experience and are not led astray by false preaching, leader of the Confederation of Mexican Workers Fidel Velasquez said.

SOCIALIST INTERNATIONAL VICE PRESIDENTS END MEETING

PA130415 Madrid EFE in Spanish 2253 GMT 12 Apr 79 PA

[Text] Mexico City, 12 Apr (EFE)--The vice presidents of the Socialist International said here today at the end of a 3-day meeting that democratic socialism is the most feasible solution to the Latin American situation. The meeting was also attended by socialist leaders Felipe Gonzalez of Spain and Mario Soares of Portugal as special guests. The socialist leaders said that formal democracy is "exhausted" on the continent, since it has helped the United States, the local bourgeoisie and the transnational concerns to increasingly expand the gap between poor and rich countries. This is why, the members of the Socialist International said, democratic socialism according to the characteristics of each nation is the solution for Latin America.

Socialist International Secretary General Bert Larssen, stated at a press conference that "the time has come in which European socialism cannot be exported," and European socialists cannot tell Latin American socialists what to do. "This must be decided by the Latin Americans themselves," he said.

The meeting expressed its support for the Latin American movements striving for democracy, especially in Argentina, Chile and Uruguay. It congratulated itself for the political advances in Brazil and expressed its support for the Nicaraguan Sandinist National Liberation Front. It also appealed to all countries to recognize the new Grenada Government "which rescued the people's right to freedom," and asked the Guatemalan Government to account for the murders of opposition leaders Alberto Fuentes Mohr and Manuel Colon Argueta.

Besides Gonzalez and Soares, the meeting was also attended by Anselmo Sule of the Chilean Radical Party (in exile), Jamaican Agriculture Minister Seymour Mullings, Virgilio Mainardi Reina of the Dominican Revolutionary Party and Salvadoran citizen Hector Oqueli, Latin American affairs secretary for the Socialist International. The meeting was held in commemoration of the Chilean Radical Party's 116th anniversary.

JOINT COMMUNIQUE ISSUED ON TODOR ZHIVKOV'S VISIT

For the apparent text of the joint Bulgarian-Mexican communique on the visit to Mexico of Todor Zhivkov, BCP Central Committee first secretary and State Council chairman, see the Bulgaria section of the 11 April Eastern Europe DAILY REPORT.

FINANCE SECRETARY COMMENTS ON NATIONAL DEVELOPMENT

PA061321 Mexico City International Service in Spanish 0050 GMT 6 Apr 79 PA

[Text] So far, greater investment is the only way to combat unemployment, the concentration of income, sidelining of certain groups and backwardness, Finance Secretary David Ibarra Munoz has said. On inaugurating the third national convention of economists, Ibarra Munoz said that in order to achieve national development it is necessary to design formulas and revise policies and actions in order to achieve more effective functioning of our mixed economy while promoting the formation of capital, lowering operating costs and eliminating unnecessary expenditures.

CRITICA LINKS U.S. AID TO REPRESSIVE REGIMES

PA122243 Panama City CRITICA in Spanish 12 Apr 79 p 14 PA

[Article by Rey Barria]

[Excerpts] The U.S. Senate [as published] recently rejected $2.5 million of credit in military equipment for the Panamanian National Guard precisely at a time when the implementation of the Torrijos-Carter treaty is drawing near. We would like to clearly state that this U.S. rejection is not casual if we consider the fact that U.S. policy on military aid has a lot to do with the types of governments to which it gives aid and with its interference in those countries. This military assistance includes the $2.562 billion sepnt on military assistance programs for Latin America during 1946-1975. This figure represents approximately 17 percent of U.S. aid to the rest of the world.

The dependence of the inter-American forces was made official with the creation of the Inter-American Reciprocal Assistance Treaty [TIAR] during the postwar period (1947). The TIAR guaranteed a market for U.S. war materiel. It must be noted that during the first few years of the TIAR, U.S. military assistance consisted of surplus armed forces materiel. Although the apparent objective of the creation of the TIAR was the military unification of the continent against foreign aggression, the weapons supplied by the United States to Latin American armies were mainly used for internal repression. The U.S. Army assumed the role of defender of the continent.

The Figures Do Not Lie

It is curious that military regimes such as those in Nicaragua, Guatemala, Paraguay, Brazil, Chile, Uruguay and Argentina have lately received better and larger military assistance. The figures indicate that these seven nations received $1.213 billion in military aid from 1946 to 1975. It represents almost 50 percent of the $2.562 billion received by all Latin American countries. The question that arises from all of this is why does the U.S. Senate reject $2.5 million in military equipment to our national guard when the armed branch of the Panamanian revolutionary process will soon assume a definite role in the defense of the Panamanian territory called the Canal Zone? The reader has already obviously guessed the answer.

NEWSPAPER CRITICIZES U.S. HOUSE OF REPRESENTATIVES

PA121938 Panama City LA ESTRELLA DE PANAMA in Spanish 12 Apr 79 p 4 PA

[Editorial: "The Attitude of the U.S. Congress"]

[Text] There are frequent reports from Washington that clearly demonstrate the anti-Panamanian attitude among a majority of members of the U.S. House of Representatives. What is occurring should not be a surprise because some congressmen voiced their opposition when the treaties were in the Senate for debate, arguing that they had not been consulted and, therefore, giving assurances that they would show their strength when the time came to discuss the bills to implement the treaties.

Almost every day, amendments are being approved that can affect us, but there is still time to remedy what is negative. What the House of Representatives is debating will have to go back to the Senate and it certainly cannot vote in favor of anything that goes against the letter and spirit of something that is already an international commitment and is only waiting for 1 October to become effective.

On the other hand, the most important press sector in that country has again brought up the issue of Panama, criticizing the attitude of some irresponsible congressmen. It was the Carter administration that made great efforts on the previous occasion and it cannot now stand by with its arms folded. Perhaps it does not want to launch an all-out offensive for the time being, waiting for the final results, but we are sure that at any moment it will take some action beneficial for our country, with President Carter enjoying more sympathy among public opinion after the signing of the peace agreement between As-Sadat and Begin in Washington.

It is evident that what is occurring in the House of Representatives, where Congressman Murphy is the speaker against Panama, is part of a highly dangerous maneuver. What many would really like to see is a strong anti-U.S. reaction in our country, with violent demonstrations, in order to show the risk involved in the treaties becoming effective on 1 October. What those men apparently do not seem to realize is that the Panamanian people are aware of this dangerous game and will not fall for it. We will focus our attention and vigilance only on the final results, expecting respect for what was negotiated, signed and ratified by the two countries.

REPUBLICAN PARTY 'IRONING OUT DETAILS' FOR REGISTRATION

PA121848 Panama City LA ESTRELLA DE PANAMA in Spanish 12 Apr 79 p 4 PA

[From "Los Nombres y Los Hechos" column]

[Text] Lorenzo Romagoza: The Republican Party, of which he is secretary general, is also ironing out details for its registration in accordance with the legal requirements. In this way, there will be five parties to be registered: The Democratic Revolutionary Party (PRD) (Which has already registered); the Broad Popular Front, which is registering; the Liberal Party, which has asked for authorization for registration; the Agrarian Labor Party, which has also sought authorization; and the Republican Party, which is preparing to act.

JUSTICE PROPOSES COURTS IN CANAL ZONE AFTER 1 OCTOBER

PA111921 Panama City LA REPUBLICA in Spanish 10 Apr 79 pp 1-A, 6-A, PA

[Text] Trial Court President and Justice of the Supreme Court Lao Santizo Perez said this morning that the Court of Settlements [Sala de Acuerdos] of the Supreme Court will propose to the central government the idea of remodeling buildings in the Canal Zone to establish Courts of Justice there once some buildings are returned to Panama with the implementation of the Torrijos-Carter treaties.

Supreme Court Justice Santizo Perez said that this would serve to affirm Panama's sovereignty in that territory since Panamanian Courts of Justice would be functioning there. He also noted that the Supreme Court is studying President of the Republic Dr Aristides Royo's idea of the judicial branch generating its own sources of income, be it by means of takes or by other means.

The justice added that the Court of Settlements--which is the court in charge of the administrative organization of the judicial branch--is planning a visit to all the Courts of Justice in the republic to gain firsthand knowledge of the material and professional needs of these courts and to make the necessary adjustments to include them later in the discussion of the new judicial code, especially in the first statute, which deals with judicial organization.

PETROLEUM TRANSFER PORT BEGINS OPERATIONS

PA122205 Panama City CRITICA in Spanish 12 Apr 79 pp 1, 20 PA

[Excerpts] Chiriqui, Panama--Yesterday Gen Omar Torrijos visited the Petroterminales Panama installations in Charco Azul, Puerto Armuelles, where he arrived in a Panamanian Air Force helicopter accompanied by project's general manager, Jose Arosemena; Commerce and Industries Deputy Minister Oscar Osorio; the deputy director of the National Water and Sanitation Institute (IDAAN), Ivan Estribi; Patricia Hearst, her husband and other personalities.

In Charco Azul, Torrijos, after having greeted the technical board members, said that he had flown over the area to personally ascertain the possibility of environmental contamination.

"I am very pleased that there is no trace of a petroleum spill because the transfer is conducted by modern methods," Torrijos said.

After the traditional greeting to old friends in Chiriqui, General Torrijos boarded the first supertanker to arrive at Charco Azul--the American Spirri [as published]--whose captain welcomed him.

The occasion was used to officially announce the inauguration of Petroterminales Panama, to produce $30 million for Panama, which will take place on 10 May.

BRIEFS

AMBASSADOR TO ISRAEL--The Foreign Ministry has announced the appointment of Marina Mayo Menendez as new Panamanian ambassador to Israel. [Panama City MATUTINO in Spanish 12 Apr 79 pp 1-A, 12-A PA]

JAPANESE AMBASSADOR'S DEPARTURE--President Aristides Royo yesterday met with Japanese Ambassador to Panama Hiroji Yamaguchi, who is ending his diplomatic mission in Panama. The Japanese ambassador thanked President Royo for all the help the government gave him during his 2 and 1/2 year stay in Panama. [Panama City MATUTINO in Spanish 12 Apr 79 p 1-A PA]

NICARAGUA

NATIONAL GUARD, FSLN CONTINUE FIGHTING IN ESTELI

Esteli Situation Report

PA121317 (Clandestine) Radio Sandino in Spanish to Nicaragua 0400 GMT 12 Apr 79 PA

[Text] Nicaraguan brothers, due to slight failures in our communications equipment, it is almost impossible to obtain news from the combat zones for the time being. We are only receiving news from Esteli, where fighting continued throughout the night. We also learned that our comrades put a plane, a light armored car and a Sherman tank out of action. We were also informed from Esteli that two ambushes were conducted against a military convoy on the Esteli-Ocopan highway. A total of 18 Somozist guardsmen were killed in the first ambush and 5 in the second.

The latest report from the combat zone confirms the downing of a Somozist plane, which brings to two the number of planes rendered useless by our Sandinist brothers. The plane was shot down with 50-caliber antiaircraft guns.

Our comrades control Esteli. The National Guard headquarters burned today following a strong Sandinist offensive against this building, an important strategic point for the Somozist guardsmen, who were forced to flee. Meanwhile, we have received reports from Honduran radio stations about the arrest of Sandinist guerrilla Victor Antonio Romero by the Honduran Army. However, the Honduran authorities have denied that they have him in custody.

Nicaraguan brothers, we expect to have our communications system fixed by tomorrow so that we can give you more and better information about developments in the Sandinist National Liberation Front's struggle against the Somozist guard in Esteli and other parts of the country.

National Guard Communique

PA121420 Panama City ACAN in Spanish 1332 GMT 12 Apr 79 PA

[By Filadelfo Martinez]

[Text] Managua, 12 Apr (ACAN-EFE)--The army confirmed today, Thursday, that a counter-offensive had begun yesterday to dislodge the guerrilla columns that raided Esteli on Sunday.

Radio Nacional, the government radio station, broadcast throughout the early morning hours today an official National Guard communique detailing the present state of affairs in this nation.

The military bulletin states that last night government troops succeeded in "consolidating their positions." However, it did not state whether the army had the situation under control in Esteli, where the "Filimon Rivera" and "Teodoro Lopez" Sandinist columns were offering strong resistance. The army operation which started yesterday has led to fierce battles in this city, located 150 km north of the capital. There have been no reports on casualties. However, the guerrillas' "medical corps" admitted that four rebels had been wounded in fighting.

The struggle became more intense outside the Nicaragua cigar store and Our Lady of the Rosary school, both located in the southern part of the city.

The battles began almost simultaneously with the arrival of the Nicaraguan Red Cross, bringing aid for the first time since the guerrillas arrived in Esteli.

The army report assures that the National Guard has recovered the town of San Rafael del Norte, near Esteli, where the rebels had also gathered in strength. The military bulletin states that yesterday, government troops had succeeded in dislodging the guerrillas who had taken up positions in San Rafael del Norte. Four rebels and one National Guardsman died in this action.

It was affirmed that Sandinist commander Leonel Rodriguez Zelaya died in this fight. "The death of the Sandinist chief provoked a disbanding of the armed men," the report adds.

The communique does not say so, but newspaper reports revealed that the rebels had seriously damaged government offices in San Rafael del Norte.

The military bulletin also reports that the military posts of Colon and Cardenas, near the Costa Rican border, had been hit with mortar shells fired by the guerrillas operating in this area. It adds that the military troops repelled the aggression and caused the rebels to flee. The military report reveals that during reconnaissance operations at the battle site, the National Guard found great quantities of armaments.

The last part of the communique confirms that the situation is calm in the rest of the nation and that patrols are continuing to pursue the guerrillas "to assure tranquility for the population during their Holy Week vacations."

Although the military report speaks of calm in the rest of the country, newscasts over Radio Mil in this city revealed that an armed clash occurred on Wednesday night in the city of Ticuantere, 20 km east of Managua.

According to the reports given by this local station, two National Guard troopers and an unidentified Sandinist died in this action. The guerrillas, who arrived in the town aboard vehicles, harassed the local garrison but later fled when reinforcement patrols arrived in Ticuantepe.

At the same time, it was reported from the city of Leon, in western Nicaragua, that military troops were searching homes in Subtiava, an Indian district of Leon. As they conducted searches, the troops fired their machineguns into the air, which frightened the people and has led them to shut themselves in their homes since the early morning hours.

Ticuantepe Operation

PA130055 (Clandestine) Radio Sandino in Spanish to Nicaragua 2230 GMT 12 Apr 79 PA

[Excerpt] In Ticuantepe, at km No 18 on the road to Masaya, seven Sandinist militants conducting a harassment and demoralization operation against the Somozist guard, attacked the garrison in that town at 2100 last night, forcing the soldiers to flee and killing one of them. Immediately thereafter, the Masaya command sent 3 patrols to counteract our operation, but our combatants ambushed them, killing one and wounding three. The Somozist guards, in trying to respond to the fire of our militants, were confused and taken by surprise and killed a member of the civil reserve who was nearby. The Somozist guard is killing its own.

Radio Sandino Report

PA130036 (Clandestine) Radio Sandino in Spanish to Nicaragua 2230 GMT 12 Apr 79 PA

[Text] Nicaraguan comrades: We will now transmit the news received by our information netowrk which, after yesterday's breakdown, is again operating. Radio Sandino is thus filling the vacuum of information that the Somozist dictatorship is trying to maintain in Nicaragua. The whole country must be aware of the atrocities and crimes committed by the Somozist dictatorship in order to maintain itself in power. Our news material supplied by our information network is as follows:

We report, Nicaraguan comrades, that the Esteli command headquarters is being attacked at this time from all four flanks by our Sandinist comrades. The attack started at noon today and has become more intense over the past few hours against the command in question where there are approximately 50 Somozist guards. The city is totally under Sandinist control, and up to now our comrades have reported five wounded, with one of them in serious condition. The Somozist guard bombed the city, killing several innocent persons. Red Cross ambulances are being attacked by the National Guard. They are riddled by the bullets of the criminal Somozist guardsmen.

Our comrades have reported that 20 Somozist spies [orejas] have been executed in the city and its outskirts. Medical squads have been organized throughout the city. Those wounded in combat are being treated by these squads.

Acting as Esteli commander is the criminal Col Benjamin Campos, known as Bravo Charlie, who has desperately asked for reinforcements, but they have not been able to enter the city. The Somozist soldiers tried to recover the city today at 1130 [1630 GMT], but they were repelled. They have not been able to recover any of the areas occupied by our comrades.

In yesterday's attack conducted by the National Guard a U.S. mercenary was killed. He is one of the mercenaries hired by the Somoza army to murder the people.

Following (?5) days of occupation, the people are showing complete solidarity with our soldiers and have organized to build barricades for the defense of our Sandinist borthers. Many women and children have left the city on their own.

A National Guard convoy comprised of 50 guardsmen was ambushed with bazookas and 30-caliber machineguns. In this action 23 soldiers were killed. Approximately 50 guardsmen have fruitlessly tried to encircle the city, but they have not been successful. These guardsmen are under the command of the murderous son of the dictator, Anastasio Somoza Portocarrero, who is, as always, in a cowardly fashion directing operations from outside the combat area.

Esteli is still completely controlled by the Sandinist brothers who belong to the Filimon Rivera, Pedro Arauz, Facundo Picado and Carlos Fonseca columns. They are all under the command of Commanders German Pomarez Ordonez and Francisco Rivera, Ruben.

Esteli Cease-Fire

PA121705 Paris AFP in Spanish 1618 GMT 12 Apr 79 PA

[Excerpt] Managua, 12 Apr (AFP)--Wilfrid Cross, president of the Nicaraguan Red Cross, said today that in view of the intensity of the fighting between the military and the rebels, he is seeking a temporary cease-fire in Esteli to evacuate the civilian population.

It is estimated that 40,000 of the 45,000 inhabitants of the city are staying inside their houses in the midst of the battle which is in its 2d day today.

The Red Cross is seeking a truce with Col Humberto Corrales, chief of the presidential General Staff, to evacuate the civilian population, which is terrified, hurt and hungry. About 500 refugees, including some who are seriously wounded, are inside the San Juan de Dios Hospital, the only one in Esteli.

Army information chief Col Aquiles Aranda said that the guerrillas have executed about 20 persons in Esteli who were considered to be government supporters. Aranda added that military aircraft are strafing guerrilla positions but are not using bombs. The destruction of Esteli by military bombing last September was the cause of much criticism against the Somoza administration abroad.

Meanwhile, it was reported that the army fought with a guerrilla group in Colon, near the Costa Rican border, about 300 km southeast of Managua. The military report says that two guerrillas were killed when the army set a trap for them in the area. It adds that the Sandinists who escaped left behind a heavy machinegun made in the GDR and some Soviet rockets.

There was intense shooting last night in different parts of Leon, 90 km west of Managua. The army there seemed to have taken up combat positions throughout the city.

Sandinist Leader Death

PA130132 Panama City ACAN in Spanish 0038 GMT 13 Apr 79 PA

[Text] Managua, 12 Apr (ACAN-EFE)--It was officially reported here tonight that Francisco Rivera Quintero, chief of the Sandinist columns that entered Esteli on Sunday, died last night in a clash with the National Guard.

According to an official army communique issued here tonight, the Sandinist guerrilla, who went by the name of "Ruben," was trying to flee from Esteli with two other rebels after military patrols started operation "Clean-Up" in this city in northern Nicaragua.

AGRICULTURE MINISTER OUTLINES 1979 OBJECTIVES

FL111712 Havana Domestic Service in Spanish 1632 GMT 11 Apr 79 FL

[Text] The fundamental objectives of the Agriculture Ministry for this year are to increase exports, replace imports, improve the foodstuffs available to the people and guarantee adequate supplies to national industries that depend on agricultural-livestock production. Rafael Francia Mestre, minister of agriculture and member of the PCC Central Committee, made this announcement while reporting on agricultural-livestock plans during an interview.

In fulfillment of first party congress directives, he explained, our principal tasks this year include providing the planned irrigation for sugar cane enterprises. The minister emphasized that other objectives are to reach 1,000 quintals of rice per caballeria, consolidate the progress made in vegetable and tuber [production] and continue developing citrus plans.

Regarding the degree of land utilization, Agriculture Minister Rafael Francia Mestre said it must be increased even more, and that the land not being used must be exploited.

During the interview, the minister emphasized the importance of implementing the economic management and planning system in the farming sector. The system offers all cadres and officials greater knowledge and mastery of economic activity and this helps to improve management and increase efficiency in exploiting resources, Francia Mestre stressed.

The Agriculture Ministry also emphasized work aimed at increasing the production in land belonging to the peasant sector by providing technical-material supplies and credits to the small farmers. For the purpose of increasing production in land that belongs to the peasant sector, eight specialized provincial enterprises have been organized for the sale of elements necessary for production and to provide services. Agriculture Minister Rafael Francia Mestre emphasized that steps are also being taken to create [such] enterprises in the five provinces that do not yet have them and, in general, special attention is given to the peasant sector. He said that small farmers have formed 366 agricultural-livestock production cooperatives with a total area of 4,083 caballerias and more than 9,000 members.

Francia Mestre explained: The 1979 tasks include one concerning organization of the work system for the purpose of increasing productivity. All factors that influence the activities of farm workers are under study, such as the link between wages and productivity.

FIDEL CASTRO CONGRATULATES RAILROAD WORKERS

FL122143 Havana Domestic Service in Spanish 2130 GMT 12 Apr 79 FL

[Text] Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, has sent congratulations to the first party congress railroad mechanized contingent that is building Havana City's central railway segment. The message was conveyed by Guillermo Garcia Frias, member of the PCC Politburo and vice president of the Councils of State and Ministers, in a speech at a ceremony held at the Campo Florido camp. In his speech, Garcia Frias stressed the importance that the construction and modernization of the central railway has for the country and congratulated the 108 members of the contingent for their efforts. A group of the workers were given certificates for their 4 years in the project. It was announced that 210 km have been completed.

VEIGA ADDRESSES WFTU MEETING IN SOFIA

FL121733 Havana Domestic Service in Spanish 1600 GMT 12 Apr 79 FL

[Text] Sofia--Cuba has called on all workers of the world to undertake a broad movement of solidarity with Vietnamese children who are suffering from the military aggression by Beijing's ruling circles. Roberto Veiga, secretary general of the Central Organization of Cuban Workers [CTC] and members of the PCC Central Committee, made the appeal at the third working session of the 30th World Federation of Trade Unions [WFTU] General Council meeting being held in Sofia since Monday.

The labor leader stressed that it was important in this International Year of the Child for the WFTU General Council to adopt initiatives aimed at providing clothing, foodstuffs and toys to Vietnamese children, and the means to rebuild Vietnam's schools and hospitals.

CTC Secretary General Roberto Veiga added that a special day of volunteer work will be conducted in Cuba on 22 April, and its economic results will be donated to Vietnamese children. With this volunteer work, he said, our workers also will be celebrating the 60th anniversary of the first "Red Saturday" [volunteer work day] in the USSR, and another Lenin birthday anniversary.

At the 30th WFTU General Council meeting, Veiga stressed all the work being done by the Cuban labor movement to give, along with all the people, the best welcome to the participants in the nonalined countries sixth summit that will be held in Havana in September. Cuban workers, he added, are giving special attention to that conference, which is being held on the American Continent for the first time, and they are convinced that the summit will be a significant contribution to the anti-imperialist and people's liberation processes.

The chief of the Cuban delegation pointed out the need for the international labor movement to condemn strongly the signing of separate treaties between Egypt and Israel that make a real possibility of true peace in that part of the world more difficult instead of easier.

Veiga also condemned the activities of imperialist and reactionary circles that promote a world situation that is becoming more dangerous for mankind. For this reason, he said, our CTC will give all its support to the holding of an international economic and social conference on disarmament and peace.

The Cuban labor leader announced that the most important activities to be undertaken this year [in Cuba] include a labor conference of Latin American and Caribbean sugarcane agriculture and industry workers to be held 28-30 April, and a meeting of the preparatory committee for the conference of solidarity with Puerto Rico in May.

Veiga urged all national trade unions to give maximum support to the WFTU to overcome the organizational difficulties that have come up as a result of changes made at the ninth congress.

FRG CHANCELLOR SCHMIDT CONCLUDES VISIT, DEPARTS

Schmidt-Guzman Meeting

LD121734 Hamburg DPA in German 1404 GMT 12 Apr 79 LD

[Excerpt] Santo Dom. igo--Federal Chancellor Helmut Schmidt met President of the Dominican Republic Antonio Guzman today in Santo Domingo for an exchange of views. The most important topics discussed were current political problems, the world economic situation, including the supply of raw materials, and questions of bilateral relations. The Dominican Republic's problems due to increased difficulty in exporting sugar to the European Community countries were also discussed.

It was generally stressed by the German side, however, that the visit to Santo Domingo was not encumbered with serious problems. The federal chancellor described the mutual relations to journalists as "scanty but good." The social democratic President Guzman, who was elected 7 months ago, has brought about a democratic order following a long dictatorship in the Caribbean country which shares the Island of Hispaniola, discovered in 1492 by Colombus, with Haiti. The party he leads, the "Revolutionary Party" belongs to the Socialist International.

Investment Agreement

LD122225 Hamburg DPA in German 2128 GMT 12 Apr 79 LD

[Text] Santo Domingo--The Federal Republic and the Dominican Republic want to sign an agreement for the promotion of investments in order to facilitate German capital investments in the Caribbean island state. According to government spokesman Klaus Boelling on Thursday, following a 2-hour talk between Federal Chancellor Helmut Schmidt and President Antonio Guzman in Santo Domingo, the two politicians have agreed to the creation of a mixed commission which is to prepare such an agreement on investments and a dual taxation agreement.

According to Boelling, Guzman has voiced extraordinary interest in greater German capital investments in the Dominican Republic. His country wants to increase exports chiefly to the Federal Republic. Schmidt, whose visit to Santo Domingo is ending with a reception on the training ship Deutschland, said that Bonn wishes to assist vigorously the Dominican Republic in its economic development. This could be done only within the capabilities of the Federal Republic which, however, are frequently overestimated.

Departure Ceremony

PA130232 Buenos Aires LATIN in Spanish 0212 GMT 13 Apr 79 PA

[Text] Santo Domingo, 12 Apr (LATIN)--FRG Chancellor Helmut Schmidt left tonight for Bonn, ending a 29-hour official visit to the Dominican Republic. Santo Domingo was his last stop on a tour of Latin American countries which included Brazil and Peru. Schmidt was seen off at the Las Americas International Airport by President Antonio Guzman and members of his Cabinet. Shortly before his departure, rumors were denied that Schmidt would stop in Miami or New York. The German leader was warmly welcomed by the Dominican Government and people. During a meeting with President Guzman, Schmidt discussed trade relations between the two countries. Increased trade as well as technical and economic cooperation with the Dominican Republic were agreed upon.

GDR RECOGNIZES DOMINICA, SAINT LUCIA; DISCUSSES GRENADA

FL121345 Georgetown GUYANA CHRONICLE in English 7 Apr 79 p 9 FL

[Text] The Government of the German Democratic Republic has announced recognition of the two most recently independent countries of the Caribbean, Dominica and Saint Lucia. One of the GDR leading newspapers also said that the recognition of the two countries was made by a GDR delegation which was recently in Jamaica discussing a number of questions with the government of that country. A spokesman for the GDR commercial office in Georgetown has said the GDR Council of Ministers also discussed the situation in Grenada leading up to the coming into power of the Maurice Bishop government. The GDR is to discuss recognition of the government at a further date.

JAMAICA

MANLEY CONTINUES VISIT TO SOVIET UNION

Meeting With Kosygin

FL121251 Kingston Domestic Service in English 1230 GMT 12 Apr 79 FL

[Text] Prime Minister Manley leaves Moscow for Leningrad today to begin the second leg of his 5-day visit to the Soviet Union. The Soviet Prime Minister Aleksey Kosygin and other officials of the Soviet Government will be at the airport to say farewell to Mr Manley.

Yesterday, Mr Manley completed his official discussions with Mr Kosygin at a 2-hour meeting. The talks [words indistinct] on the development of trade and economic relations between Jamaica and the Soviet Union. The talks were said to be (?conducted) in a friendly atmosphere with both sides agreeing that the favorable state of Soviet-Jamaican cooperation was in the interest of both countries and contributed to the cause of international detente and the consolidation of peace. Other members of the Jamaican delegation held separate discussions with the Soviet authorities in the areas of foreign trade and economic [word indistinct].

Trade Agreement

FL121834 Kingston Domestic Service in English 1730 GMT 12 Apr 79 FL

[Text] The Soviet Union has reported [words indistinct] Jamaica under an agreement signed with the USSR's Ministry of Foreign Trade in Moscow. Under the terms, Jamaica is to buy as yet unspecified goods from the Soviet Union. The agreement was signed for Jamaica by Minister of Mining and Natural Resources Horace Clarke while the Soviet minister of foreign trade, Mr Nikolay Patolichev, signed on behalf of his government.

Meanwhile, Prime Minister Manley arrived in Leningrad from Moscow this morning to a warm welcome. With his stop in Leningrad, the USSR's second-largest city, the Jamaican leader began the second leg of his 6-day visit to the Soviet Union. The state [words indistinct] from Jamaica to the Soviet Union in the Russian Federation provided the backdrop of Mr Manley's reception by the chairman of the Executive Committee of Leningrad City, Mr Lev Zaykov, and local representatives. After the arrival, the Jamaican prime minister was to lay a wreath at the [name indistinct] memorial cemetery, burial place of more than one half a million citizens of Leningrad who died during the Second World War.

POLITICAL, TECHNICAL AID TEAM TO BE SENT TO GRENADA

FL102041 Kingston Domestic Service in English 2030 GMT 10 Apr 79 FL

[Text] Guyana is to send a six-member political and technical team to Grenada to discuss areas of assistance to the revolutionary government of Maurice Bishop. Included on the agenda will be discussions on the setting up of a central bank in Grenada, a streamlining of the treasury and an assessment of Grenada's finances, including its external debt. Another important area for discussion will be threats of mercenary attacks instigated by ousted Prime Minister Eric Gairy. The Guyanese team comprises the special political assistant to Prime Minister Forbes Burnham, the permanent secretary for the public service, the governor of the Bank of Guyana and his deputy, the director general of the national service and banking officials.

SHIPYARD AGREEMENT SIGNED WITH DPRK

FL100230 Georgetown SUNDAY CHRONICLE in English 1 Apr 79 p 6 FL

[Text] Guyana and the Democratic People's Republic of Korea (DPRK) yesterday signed a technical protocol for cooperation in the designing of a shipyard for the construction of wooden ships in Guyana.

According to a press release issued after the signing ceremony held in the boardroom, Ministry of Economic Development, the agreement sets out the details of the project which will be undertaken by the Guyana National Engineering Corporation and the Pyongyang City Designing Station of the DPRK.

The release stated:

A team of six technicians from the Democratic People's Republic of Korea has been in Guyana from December 1978 to assist in the designing of a shipyard for the construction of wooden ships.

Their visit is in accordance with the agreement on economic, scientific, technical and cultural cooperation between the Government of the Cooperative Republic of Guyana and the Government of the DPRK, which was signed in Pyongyang on April 27, 1978.

The team has completed its work and has submitted preliminary drawings and designs for the ship-building yard.

The technical protocol was signed on Saturday, March 31, 1979, between the Government of Guyana and the Government of the Democratic People's Republic of Korea, setting out the details of this project, which will be undertaken by the Guyana National Engineering Corporation Limited on behalf of the Government of Guyana and by the Pyongyang City Designing Station for the Democratic People's Republic of Korea.

According to the protocol, final drawings and designs will be submitted within one year of the signing of the protocol.

Cde H. Maraj, permanent secretary, Ministry of Economic Development signed on behalf of the Government of Guyana and Mr Kim Yuo Je, the leader of the DPRK team signed on behalf of the Democratic People's Republic of Korea.